



DATE: July 20, 2016

TO: Governing Board
San Francisco Bay Restoration Authority

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SUBJECT: **Timeline Through January 2018**

I. Summary

The Restoration Authority will begin receiving tax revenue in the late fall of 2017. This memorandum identifies the work necessary to enable the Authority to start awarding grants in early 2018. The timeline below lists both the elements of and timing for the development of the Authority's internal processes and grantmaking procedures.

II. Discussion

The passage of Measure AA in June of 2016 means that eight years after it was created, the Authority can begin grant making operations for the restoration and enhancement of San Francisco Bay. While the Authority has laid the ground-work for the eventual administration of the measure, adopting grant program guidelines as well as procedures for the Advisory Committee and Independent Citizens Oversight Committee, much work remains to facilitate efficient and effective use of Measure AA funds. The table below summarizes staff's current understanding of likely stages and timing for development of the grant making functions, with additional detail summarized below. This "to-do" list is split into two general categories: program functions and tax/fiscal operations.

III. Timeline

| TIMING | PROGRAM | TAX/FISCAL |
|------------------|---|---|
| July-August 2016 | <i>Develop Joint Powers Agreement (JPA)</i> | <i>Declare election results</i> |
| | <i>Draft Staffing Plan/Budget</i> | <i>Assess first year financing needs</i> |
| Sept-Oct 2016 | <i>Advisory Committee meeting</i> | <i>Begin planning for paying election costs and tax revenue collection arrangements</i> |
| | <i>Adopt JPA</i> | |
| | <i>Adopt multi-year workplan and budget</i> | |

| TIMING | PROGRAM | TAX/FISCAL |
|-------------------|---|---|
| Nov-Dec 2016 | <i>Develop internal procedures and mechanisms</i> | <i>Develop financial tracking/oversight mechanisms/controls</i> |
| | | <i>Engage tax collection entity</i> |
| Nov 2016-Feb 2017 | <i>Fill out Advisory Committee membership</i> | <i>Develop Citizens Oversight Committee</i> |
| Jan-March 2017 | <i>Update Potential Project List and Map</i> | |
| | <i>Develop Board Policies (as necessary)</i> | <i>Develop contract mechanisms (grant agreements, billing mechanisms/materials)</i> |
| March-April 2017 | <i>Advisory Committee meeting</i> | <i>Oversight Committee meeting</i> |
| | <i>Adopt Board Policies</i> | |
| April-June 2017 | <i>Develop Request for Proposals (RFP) (Staff drafts, AC review, Bd Approval)</i> | |
| July 2017 | <i>RFP Released</i> | <i>Potential for Revenue Anticipation Note (RAN)</i> |
| Sept 2017 | <i>Grant Applications due</i> | |
| Sept-Dec 2017 | <i>Grant Application reviews</i> | |
| Dec 2017 | <i>Staff develops grant recommendations</i> | <i>Tax revenues received by ABAG</i> |
| Jan 2018 | <i>Board considers and potentially authorizes grants</i> | <i>Encumbrance/Contracting begins</i> |

July-August 2016

During this timeframe work will begin on the drafting of the proposed Joint Powers Agreement that would formalize relationships between the Authority, State Coastal Conservancy, and ABAG. The Authority receives and declares final results for the election. Staff will begin developing a multi-year workplan and budget as well as assessing the first year financial needs of the Authority.

September-October 2016

An initial Advisory Committee meeting will be held to review progress since passage of the measure, re-assess committee membership and further develop roles. Initial planning for paying election costs and developing tax administration mechanisms will begin. The intent is that SCC and ABAG will adopt the JPA, and then bring it and the workplan and budget forward for Authority consideration in October.

November-December 2016 (some elements: March 2017)

Internal Authority mechanisms that result from the measure and enactment of the JPA, such as accounting and internal staff systems and procedures, will be developed. The Authority will engage the services of a tax collection entity or firm, such as NBS, to coordinate with county assessors and treasurers in preparation for 2017 tax collection. Staff will work to fill out the Advisory Committee as well as develop the Citizens Oversight Committee, and additional board development may occur (as needed).

January-March 2017

During this period the Potential Project List and Map will be updated, and the focus will be on developing any new board policies deemed necessary, as well as developing model language for agreements, billing mechanisms and materials. Policies to be revisited or developed may include the Authority's Conflict of Interest Code and/or a lobbying ordinance.

March-April 2017

The Advisory Committee will meet to provide input to the upcoming development of a request for proposals (RFP) and grant evaluation guidelines, and the initial meeting of the Oversight Committee will be convened. Updated or new board policies may be brought for adoption.

April-June 2017

The RFP and grant evaluation guidelines will be drafted and vetted in accordance with the grant program guidelines. Advisory Committee review will occur, followed by any revision necessary and consideration by the Authority board.

July-September 2017

July 1, 2017 presents the first opportunity for the Authority to issue a revenue anticipation note (RAN) to assist with payments until Fiscal Year 2017/18 tax revenues become available. RANs are a low-interest, stable mechanism for jurisdictions to ensure reliable cash flow during the initial part of a fiscal year.

July marks the anticipated release of the RFP, with proposals due an estimated eight weeks later in early September.

September-December 2017

Grant submittals are received, compiled and circulated for staff and external review, per the grant program guidelines. The timing is coordinated to the receipt of tax revenues, to ensure accurate amounts of funding are made available in project decision-making. Preliminary funding recommendations are developed.

January 2018

The Authority meets to consider and potentially authorize funds for recommended projects that are ready to proceed, and make associated CEQA findings. Projects thereafter move into the contracting process, while staff may continue to work with grant proponents to develop recommendations for projects that need additional work, for example, in order to facilitate adoption of CEQA. Program staff begins the process of stewarding/overseeing funded projects, and financial administration of project funding begins.